



waterfront ratepayers after fair taxation

URGENT MESSAGE TO MEMBERS JULY 2008

We need your help to convince the government that they must act now to stabilize the property tax system. We are asking you to visit your MPP and pass on this message.

For the past decade, we've been working to get modifications to the assessment/property tax regime to make it more stable and predictable. So far we have been unsuccessful in achieving our primary objective, although we believe we have succeeded in making all politicians at Queen's Park and at the municipal level aware of the inequity in the system and the personal hardship that the system can create for countless taxpayers and their families. For a more complete report of our progress to date go to our website www.captr.org, click on News and read our spring report to members. While on the website please sign our petition.

For each of the four assessments carried out every two years during the last ten years, there has been a continuing shift of tax to waterfront and urban areas whose values have risen faster than average real estate prices in Ontario. Because it covers a longer three-year period and one of rising real estate values, the upcoming assessment this fall will continue to exacerbate that shift and result in major tax hikes for thousands of Ontario home and cottager owners. The only break taxpayers will get is that to the extent their taxes will rise because their assessment increase is higher than average, they will get to pay that tax increase in 'four easy annual installments'.

This fall, you will receive your assessment notice. It will reflect MPAC's estimate of the increase in value of your home over the years 2005 through 2007. From a real estate survey we commissioned we already know a few facts:

- Based on increases in sales prices, waterfront values were up on average 47% and non-waterfront 18% in the broad area of Muskoka/Haliburton.
- In Toronto, inner city price increases were much greater than in the suburbs with some urban neighbourhoods experiencing jumps of 50% to 100% compared to the average Toronto increase of 24%.
- A comparison of 2007 sales prices with 2005 assessments for a large number of individual properties in urban and waterfront areas showed a huge disparity with differences ranging from -5% to 102%. In other words averages don't tell the whole story. There can be huge variations in individual increases within neighbourhoods.

What is apparent is that large numbers of our CAPTR/WRAFT membership are going to be hit with substantial assessment related tax increases over the next four years.

Now the next step is up to you. The only thing that will make the government think again is political pressure. That can only come from individual home and cottage owners going to see their MPPs.

If we fail it's because we have not protested loudly enough.

Once the assessments are out, the government will be deluged with phone calls and emails but they are expert, as they have proved in the past, at keeping their heads down until the furor blows over. And guess what: with the new system of four year assessments, the next furor won't occur until after the next election.

So please go and see your MPP now, the one where you live and vote. If you can, take a neighbour or two with you. Tell your MPP how your taxes have escalated in the past and about your fears for this fall. These fears can be based on the statistics above as well as your knowledge of recent sales prices in your neighbourhood. Tell the MPP, if he or she is a member of the Liberal government, that we need a ceiling to be placed on assessment increases *now*, before the 2008 assessment wreaks havoc with home and cottage owners' budgets. If your MPP is a PC or NDP member, tell them to put pressure on the government, as they have in the past, to get the system fixed.

If you're unsure how to contact your MPP, go to www.gov.on.ca, click on *MPPs* and then on *Constituency Offices*. If you don't know who your MPP is click on *Postal Code Search*. The MPP's job is to meet with constituents, especially when the house is not in session, so you will not be asking for anything that you don't have a right to expect. Your best approach is to call and make an appointment. We have suggested what to say but if you're still not comfortable, call or email us and we'll give you more ammunition.

Please email us if you're willing to meet your MPP and then let us know how that meeting went afterwards. Remember, time is of the essence. Its only three months until assessments start arriving. Thanks in advance for your help.

Bob Topp
CAPTR and WRAFT